



Service Acquisition Requirements Review Board (SARRB) Overview

08 August 2012

Presenter:

CAPT Scott Hoffman,

Deputy Director for Contracts

Space and Naval Warfare Systems Command

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SARRB Summary

DON Initiative

Current business environment requires a focus on budget, acquisition value and accountability

SPAWAR Perspective

Gain visibility, instill sound decision making principles, hold personnel accountable

Initial SARRB:

- ▼ Set a Baseline
- ▼ Discuss Organizational Strategy
- ▼ Evaluate Internal Oversight
- ▼ Evaluate Metrics
- ▼ Tripwire Formulation
- ▼ First Round Complete
(2 May 2012)

What We Found:

- ▼ Tripwires Valuable for:
 - Labor Rates
 - Subcontractor Adds
 - Bridge Contracts
 - Competitive / Sole-Source
 - "One-Bids"
 - ODCs
 - Best Value
- ▼ Additional Focus Areas
 - CORs
 - Small Business
 - CPARS
 - WAWF
 - Training
 - PSC Codes / Archaic

Next Steps:

- ▼ Issue Tripwire Policy
(Completed; 11 May 2012)
- ▼ Collect Tripwire Metrics
- ▼ Next Round Based on Tripwire
Data; End of CY



Tripwires to Address...

▼ Labor Rates:

- Pre-award: Proposed burdened rate in any category exceeds \$250K; SSA made aware and concurs; SPAWAR 2.0/2.0A approve
- Post-award: Actual Labor Rates > Proposed
 - CORS monitor monthly; growth above \$250K in any category PCO/PM informed; same for growth in excess of 15% in average labor rates
 - Greater than 20% growth in average labor rates, SPAWAR 2.0/ Chief of Contracting Office informed



Tripwires to Address... (cont)

▼ Subcontractor Adds

- Pass through, loss of competitive process
- COR/PCO/ PM written approval required

▼ Bridge Contracts

- Formal J&A process, PEO/TD/CO written approval required

▼ Competitive One-Bid / Sole Source

- Existing policies emphasized with increased oversight

▼ ODCs

- Pre-award: Target appropriate ratio of Labor/ODCs.
 - Exceeds 10% or \$3 million whichever is less; PM written concurrence required.
- Post-award: Reduce materials purchased on ODCs.
 - Proposed increase in excess of 10% requires PM written concurrence and PCO approval.

▼ Best value

- Greater than 10% cost delta between lowest acceptable offer and proposed awardee requires SPAWAR 2.0/2.0A approval



Additional Focus Areas

▼ Contracting Officer's Representative (COR)

- Continue to emphasize importance
- Incentivize good performers, get quality people

▼ Small Business

- Strong performance with respect to goals
- Maintain focus, continue improvement

▼ CPARS

- Accountability for industry partners
- Emphasize quality not simply timeliness



Additional Focus Areas (cont)

▼ WAWF Limitations

- Challenge to gain oversight of invoicing
- COR receipt and review of detailed invoices mandatory

▼ Training

- Continue increased COR Training
- Best practices for COR Invoice review

▼ PSC Codes

- Ensure alignment of PSC to DOD Acquisition of Services Taxonomy Portfolio Groups
- Improve PSC selection awareness and guidance



Next Steps

- ▼ Issue Tripwire Policy (Completed: 11 May 2012)
- ▼ Collect Tripwire Metrics
- ▼ Next Round Based on Tripwire Data; End of CY